

ARC21 JOINT COMMITTEE
Meeting No 049
Virtual Meeting
MINUTES
Thursday 27 August 2020

Members Present:

Councillor T McGrann	Antrim & Newtownabbey Borough Council
Alderman A Carson	Ards & North Down Borough Council
Councillor G Walker	Ards & North Down Borough Council
Councillor P McReynolds	Belfast City Council
Councillor F Ferguson	Belfast City Council
Alderman D Drysdale	Lisburn & Castlereagh City Council
Councillor M Gregg	Lisburn & Castlereagh City Council
Councillor S Lee	Lisburn & Castlereagh City Council
Councillor M Burnside	Mid & East Antrim Borough Council
Councillor I Friary	Mid & East Antrim Borough Council
Councillor W Clarke (<i>Deputy Chair</i>)	Newry, Mourne & Down District Council

Members' Apologies:

Councillor M Goodman	Antrim and Newtownabbey Borough Council
Councillor N Kelly	Antrim & Newtownabbey Borough Council
Alderman R Gibson (<i>Chair</i>)	Ards & North Down Borough Council
Councillor JJ Magee	Belfast City Council
Alderman R Cherry	Mid & East Antrim Borough Council
Councillor H McKee	Newry, Mourne & Down District Council
Councillor K Owen	Newry, Mourne & Down District Council

Officers Present:

T Walker	arc21
G Craig (<i>Secretary</i>)	arc21
H Campbell	arc21
J Green	arc21
K Boal	arc21
M Laverty	Antrim and Newtownabbey Borough Council
D Lindsay	Ards & North Down Borough Council
J McConnell	Belfast City Council
H Moore	Lisburn & Castlereagh Borough Council
P Thompson	Mid & East Antrim Borough Council
R Moore	Newry, Mourne & Down District Council

Officers' Apologies:

G Girvan	Antrim & Newtownabbey Borough Council
N Grimshaw	Belfast City Council
S Toland	Belfast City Council

In the absence of the Chair, Alderman Gibson, the Deputy Chair, Councillor Clarke took the Chair.

Item 1 - Conflicts of Interest Statement

The Chair read out the Conflicts of Interest Statement. There were no conflicts noted.

Action: Noted

Item 2 - Apologies

Apologies were noted.

Action: Noted

Item 3 - Minutes of Joint Committee Meeting 048 held on 30 July 2020

The minutes of the Joint Committee meeting 048 held on 30 July 2020 were agreed.

Action: Agreed

Item 4 - Matters Arising

Deposit Returns Schemes (DRS) Meeting Group - Mr Walker advised that this was still ongoing and there had been no change from the last meeting, however it was likely that two consultations would be coming out probably late December or early January and he would keep Members updated on these accordingly.

Action: Noted

Abbreviations / acronyms in papers – Mr Walker referred to the Acronyms Guide, which had been originally put together by NILGA and had been included in the Joint Committee papers following a request at last month's meeting.

He enquired if Members felt that this would be satisfactory as there was no plan for NILGA to revisit it at the moment and he proposed that this could be used by Members going forward as a reference guide.

Following discussion Members agreed that this document was very helpful and thanked Mr Walker accordingly.

Action: Noted

The Chair advised Members that the meeting would now go "*in committee*", which was proposed and seconded accordingly.

IN COMMITTEE

Matters of a confidential and commercially sensitive nature were discussed under these agenda items.

Following discussion on the commercially sensitive matters, the Chair advised Members that the meeting would now return to the main agenda but whilst "*in committee*" there were five matters discussed as follows:

Item 5 - Minutes of Joint Committee Meeting 048 held on 30 July 2020 'in committee'

Action: Agreed

Item 6 - Matters Arising

Action: Noted

Item 7.1 - Residual Waste Treatment Project

Action: Noted

Item 7.2 - Noarc21 presentation & site visits	Action: Noted
Item 8 - Commercially Sensitive Procurement and Contracts Issues	Action: Agreed

OUT OF COMMITTEE

The Chair advised Members that the meeting would now return to the main agenda, which was agreed.

Item 9 - Contracts and Operations Briefing Report

Ms Boal presented a report to advise the Joint Committee on the prevailing monthly situation pertinent to the operational performance of the service and supply contracts.

An extract from the report, highlighting the key issues discussed, is replicated below:

arc21 continues to manage and monitor the impact of COVID-19 on its contracts.

Operationally the contracts continue to perform effectively and the frequency of any changes has significantly reduced.

The new contracts for Municipal Waste Disposal became live on 1 August.

In terms of NILAS the department has issued the draft reconciliation for the 2019/20 year. All of the arc21 councils individually came within their allocated allowances.

Following discussion the Joint Committee agreed to note the report.

Action: Noted

Item 10 - Annual Review of Waste Statistics 2019/20

Ms Boal presented a report on the indicative position in respect of key waste statistics covering the 2019/20 year.

The information was presented in graphical form for illustrative purposes.

Following discussion the Joint Committee agreed to note the report.

Action: Noted

Item 11 - Council Covid-19 Waste Management Financial Losses

Mr Craig presented a report to update the Joint Committee on the Waste Management Financial support sought from Government in regards to the losses being incurred by Councils arising from the Covid-19 emergency.

An extract from the report, highlighting the key issues discussed, is replicated below:

To date two bids totalling £10m have been submitted by the 11 Councils to DAERA covering the estimated losses on waste management activities arising from the Covid-19 emergency, £5.7m for the March to June period and £4.3m for the July to September period.

In terms of the first bid, the Executive awarded £3.8M to DAERA to allocate to Councils and DAERA originally provided a further £0.9M. However, the DAERA Minister then reversed the decision and withdrew the £0.9m.

DAERA have introduced a formal and bureaucratic administrative process for Councils to claim the financial support and to date none of the £3.8m awarded by the Executive has been allocated by the Department, although a payment on account of 70% is expected to be paid when the claim process gets underway.

DAERA submitted the second bid to the Department of Finance (DoF) but this was not approved leaving Councils, already in a financial crisis, to fund the remaining £7.2m.

Following the allocation of the initial support by the Executive Councils were encouraged to present bids for the remainder of the year, taking into account the fact that Covid-19 losses are expected to continue to be incurred and Treasury had provided further financial support to the devolved administrations.

Councils asked DAERA to submit a bid to the Executive for a further £10m for the period October to March but with the second bid not being accepted by DoF, this bid was not presented by DAERA, leaving the Councils in an even worse financial position and having to make critical decisions without the funding support being available to cover the extra costs.

Treasury provided the Executive with an additional £600m as part of its financial support to the four devolved administrations but it is understood that DoF prioritised the funding to Health, Education and the Third/Voluntary Sector.

This is very disappointing news for Local Government in terms of waste management as well as other services provided by Councils which have now been forced into a deeper financial crisis as a consequence of the Covid-19 emergency and lack of Government support.

DAERA have indicated that there may be the potential for additional funding through the quarterly Expenditure Monitoring Rounds and regular engagement with the Department will continue in order to maximise the level of funding support available.

Following discussion the Joint Committee agreed to note the report.

Members suggested that consideration be given to writing to the Minister to express the concerns of the Joint Committee regarding the funding support needed by Councils.

Action: Noted

Item 12 - Statement of Accounts for the Year to March 2020

Mr Craig presented the Joint Committee with an update on the arc21 Draft Statement of Accounts for the year to March 2020, for information.

Extracts from the accounts were presented and the financial highlights were discussed and are replicated as follows:

Income at £29.5m is broadly in line with prior year's income of £29.6m.

The General Reserves increased by £237k from £1,255k to £1,492k, with approximately 50% of the reserves earmarked for the Residual Waste Treatment Project and the development of the Waste Management Plan, placing the organisation in a strong position to meet the challenges ahead.

The pension scheme remains in a deficit position increasing by £567k to £1,072k (from £505k) following the triennial review of the pension scheme by NILGOSC.

At 31 March 2020 the Joint Committee held cash balances of £3.2m compared to £2.6m at 31 March 2019 providing sufficient working capital to meet the monthly contractual obligations of the organisation, which are circa £3m per month.

Mr Craig reported that the final accounts are expected to be certified by the Local Government Auditor in December and then presented to the Joint Committee in January 2021.

Following discussion the Joint Committee agreed to note the report.

Action: Noted

Item 13 - Corporate Plan 2020-24

Mr Walker presented a report to provide the Joint Committee with a copy of the final Corporate Plan 2020-2024 for their consideration and approval.

Following discussion the Joint Committee agreed to note the report and approve the Plan.

Action: Agreed

Item 14 - Human Resources Issues

Mr Craig presented a report on two Human Resources issues and these are noted as follows:

Organisation Resilience Review

At the 30 May 2019 Joint Committee meeting, Members agreed, following changes to the organisation structure, to endorse an external review of the resilience of the organisation.

Subsequently, using the Local Government Staff Commission Consultancy Framework, a procurement competition was undertaken and HeadsTogether Consulting Limited was awarded the contract on 2 August 2019.

The resilience review was initially delayed due to the imminent retirement of the former Acting Chief Executive and the commencement of the new Acting Chief Executive on 1 October 2019.

In parallel, developments were underway with the councils' strategic review of the delivery of waste management services on an NI-wide basis which may have implications for arc21 and then there was COVID 19 which led to a reprioritisation of our services for several months.

It is now deemed appropriate not to undertake this work and to await the final outcome of the councils' strategic review to enable the Joint Committee to assess the implications for arc21 including undertaking an organisational review, if appropriate, at that stage.

It was recommended that the Joint Committee approves the approach adopted by the Acting Chief Executive not to undertake the organisation resilience review at this time but to await the outcome of the Councils' strategic review of the delivery of waste management services and re-assess the position at that stage.

Human Resources Policies Review

One of our Corporate Strategic Objectives, as set out in the new Corporate Plan approved by the Joint Committee in March 2020, involves implementing a Human Resources strategy.

In order to deliver this strategic objective, the HR Policies were refreshed to ensure that they were fit for purpose and the refresh supports our ability to implement the new Corporate Plan.

HeadsTogether Consulting Limited undertook the review which involved updating/replacing existing policies, as well as introducing new policies. The review was completed in June.

It has been noted however that the decision to commission the work was not recorded in the list of decisions presented to the Joint Committee at its meeting on 30 July 2020.

The Joint Committee was asked to provide retrospective approval for the work that was undertaken to refresh and update the suite of HR Policies.

The Joint Committee was also asked to approve that the record of decisions, made under the Delegated Authority of the Acting Chief Executive, be updated to take this decision into account.

Following discussion the Joint Committee agreed to approve the recommendations.

Action: Agreed

Item 15.1 - Code of Conduct for Local Government Employees - Consultation

Mr Craig presented a report to inform the Joint Committee of changes proposed to be made by the Local Government Staff Commission to the Code of Conduct for Local Government Employees and a copy of the proposed arc21 response, as a consultee, was presented for consideration and any final comments prior to submission.

Following discussion the Joint Committee agreed to approve the draft response for submission by the deadline of 30 September 2020.

Action: Agreed

Item 15.2 - UK Internal Market White Paper - Consultation

Mr Walker presented a report to provide the Joint Committee with a copy of the arc21 response to the consultation on the UK Internal Market White Paper.

He reported that the Secretary of State for Business, Energy and Industrial Strategy (BEIS), the Right Honourable Alok Sharma MP, published a White Paper on the UK Internal Market on 16 July 2020 and issued the documents for consultation, with a deadline of 13 August 2020.

The consultation sought the views of a wide range of organisations on the policy options through proposals to enshrine in law two principles to protect, post transition, the flow of goods and services in the UK's Internal Market: the principle of mutual recognition, and the principle of non-discrimination.

Members were presented with the arc21 response which was submitted by the deadline and it was recommended that the Joint Committee consider the response and provide retrospective approval.

Following discussion the Joint Committee agreed to endorse the response.

Action: Agreed

Item 15.3 - Plastic Packaging Tax Policy Design - Consultation

Mr Walker presented a report to advise the Joint Committee on the HMRC consultation on the Plastic Packaging Tax which from April 2022 will apply to plastic packaging manufactured in or imported into the UK containing less than 30% recycled plastic.

He reported that this is a new tax that applies to plastic packaging produced in, or imported into the UK that does not contain at least 30% recycled plastic. Plastic packaging is packaging that is predominantly plastic by weight.

It will not apply to any plastic packaging which contains at least 30% recycled plastic, or any packaging which is not predominantly plastic by weight.

Members were presented with the arc21 response which was submitted by the deadline of 18 August 2020 and it was recommended that the Joint Committee consider the response and provide retrospective approval.

Following discussion the Joint Committee agreed to endorse the response.

Action: Agreed

Item 16 - Future Recycling and Collection of Waste of a Household Nature in Northern Ireland

Ms Boal presented, by PowerPoint slides, an overview of the discussion document currently out by DAERA seeking views on future recycling and collection of waste of a household nature in Northern Ireland.

She advised that the backdrop for the discussion document was: the Key Waste Framework Targets - 2035; UK Plastic Pact sets targets for 2025; and Circular Economy Network and DAERA was seeking views on steps towards improving recycling rates; further reducing food waste; cutting landfill rates; and getting businesses on board.

In this regard she reported that there had been a workshop with Council Officers and arc21 was preparing a proposed response, a copy of which will be presented for discussion and consideration at the next Joint Committee meeting.

Action: Mr Walker/Ms Boal

Item 17 - AOB

There was no further business discussed.

Item 18 - Next Meeting

The Chair advised that the next scheduled meeting of the Joint Committee is due to be held on Thursday 24 September and an MS Teams invite would be issued in due course.

Action: Noted

Date: _____

Chairman: _____